### **REMARKS**

Applicants thank the Examiner for the thorough consideration given the present application. Claims 1-6, 8-11, 14 and 15 are currently being prosecuted. The Examiner is respectfully requested to reconsider his rejections in view of the amendments and remarks as set forth below.

## Allowable Subject Matter

It is noted that in the first action, the Examiner indicated that claims 1-5, 7, 14 and 15 were allowed. In response to that action, Applicants rewrote claims 6 and 10 to include dependent claims 7 and 12 and no other amendments except for the correction of two grammatical errors. Since Applicants did not change the claims except for these purposes, Applicants submit that a new search was not necessary and that it was improper for the Examiner to perform a new search and/or remove the allowability of the claims. Further, it is noted that the Examiner has not even indicated that the allowability has been removed in the present action. In stead, the Examiner has only indicated that new art was found and new rejections are set forth. Applicants submit that a proper action would have indicated that the allowance was removed and given a reason for the new search and rejection.

# Claim Objections

The Examiner objected to claims 10 and 14 due to minor informalities. By way of the present amendment, Applicants have added the period at the end of

claim 10 and changed claim 14 as indicated. Accordingly, these rejections are overcome.

# Rejection Under 35 U.S.C. §112

Claims 2-5, 8, 9 and 11 stand rejected under 35 U.S.C. § 112 as being indefinite. This rejection is respectfully traversed.

By way of the present amendment, Applicants have amended claims 2, 4, 5, 8, 9 and 11 to use the proper Markush language. Claim 1 has also been amended to provide antecedent basis for the phrase in claim 3. These rejections are believe to be overcome.

# Rejection under 35 U.S.C. § 102

Claims 1, 4-6 and 8-11 stand rejected under 35 U.S.C. § 102 as being anticipated by Imura et al. (U.S. Patent 4,600,488). This rejection is respectfully traversed.

The Examiner states that Imura et al. shows a method of manufacturing a magnetic film including forming a magnetic layer on a substrate, treating a first area with an ion beam in a magnetic field to form a first easy axis in a first direction and a second area with an ion beam and a magnetic field to form a second easy axis having a second direction. The Examiner notes that the language of the claim does not preclude the use of an ion beam in a magnetic field in the first area. Applicants submit that the present claims are not anticipated by this reference.

Each of the independent claims now makes it clear that the area not being treated by an ion beam in a step is masked. Thus, the first area is treated with a ion beam while the second area is masked and vice versa. In the Imura et al. reference, the mask is provided in the embodiment of Figure 8 where a single ion treatment is used. The only disclosure of two ion beam treatments is found in Figure 11 where it is said that the process of forming a mask layer in the ion implantation and magnetic field is repeated (column 5, lines 52-55). No details are provided as to the exact arrangement of the masks and the ion treatment. Further, Figure 11 shows eight different directions of magnetization, that is, up, down, right, left, and four diagonal directions. Applicants submit that there is no teaching that two specific areas are alternately covered when the other is treated by the ion beam. Accordingly, Applicants submit that the language added to the independent claims defines over this reference. Accordingly, Applicants submit that claims 1, 6, 10, 14 and 15 are now allowable.

Claims 2-5, 8, 9 and 11 depend from these allowable independent claims and as such are also considered to be allowable. In addition, each of these claims recite other features of the invention which make them additionally allowable.

## Rejection under 35 U.S.C. § 103

Claims 2, 3, 14 and 15 stand rejected under 35 U.S.C. § 103 as being obvious over Imura et al. This rejection is respectfully traversed. The Examiner feels that it would have been obvious to include the specific rare earth materials of claim 2 and the particular angle difference in claim 3. The Examiner also feels

that it would have been obvious to rotate the magnetic layer area. However, Applicants submit that these claims are allowable for the reasons presented above.

#### CONCLUSION

In view of the above remarks, it is believed that the claims clearly distinguish over the patents relied on by the Examiner. In view of this, reconsideration of the rejections and allowance of all of the claims are respectfully requested.

Should there be any outstanding matters that need to be resolved in the present application, the Examiner is respectfully requested to contact the undersigned below, to conduct an interview in an effort to expedite prosecution in connection with the present application.

If necessary, the Commissioner is hereby authorized in this, concurrent, and future replies, to charge payment or credit any overpayment to Deposit Account No. 02-2448 for any additional fees required under 37 C.F.R. §§ 1.16 or 1.17; particularly, extension of time fees.

Respectfully submitted,

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